



**Amendments:**

In response to the May 17, 2005, Patent Office Action please amend the above identified application as follows.

**Amendments to the Claims:**

This listing of claims will replace all prior versions, and listings, of claims in the application:

**Listing of Claims:**

**WHAT IS CLAIMED IS:**

1. (Currently Amended) A method utilizing a tax meter for collecting sales and/or use taxes on remote sales, said method includes the steps of:
  - a) collecting by seller's information regarding remote sales made by buyers;
  - b) calculating securely the correct taxing jurisdictions sales and/or use tax to be paid by buyers for remote sales;
  - c) collecting by sellers from buyers the correct sales and/or use tax;
  - d) transmitting by a seller to a taxing jurisdiction the aggregate totals of sales and use tax transactions; [and]
  - e) purchasing by one of the taxing jurisdictions goods and/or services from the seller;
  - f) transmitting from the seller to the purchasing taxing jurisdiction a log of specified sales and use tax transactions; and
  - g) comparing the taxes charged by the seller for the goods and/or services purchased by the seller with the log of transactions; and
  - h) [e] collecting by a taxing jurisdiction the correct sales and/or use tax received by sellers.

2. (Withdrawn) The method claimed in claim 1, further including the step of: transmitting from the seller to the taxing jurisdiction a log of all sales and use tax transactions.
3. (Withdrawn) The method claimed in claim 2, wherein a seller is given notice that a taxing jurisdiction is studying its log of all sales and use tax transactions.
4. (Withdrawn) The method claimed in claim 3, wherein a seller may review the seller's log of sales and/or use taxes collected before the taxing jurisdiction studies the seller's log of sales and/or use taxes collected.
5. (Withdrawn) The method claimed in claim 3, wherein a taxing jurisdiction may access the log of sales and/or use taxes collected only after specified time period has passed.
6. (Original) The method claimed in claim 1, further including the step of: reporting to the taxing jurisdictions the taxes that have been collected.
7. (Original) The method claimed in claim 1, further including the step of: filing tax returns for sellers with the taxing jurisdictions for the taxes that have been collected.
8. (Withdrawn) The method claimed in claim 1, further including the step of: identifying potentially seller fraudulent behavior by running various checks of the segmented information.

9. (Withdrawn) The method claimed in claim 8, further including the step of:  
identifying a strange drop-off in the number of seller transactions in the segmented  
information.
10. (Withdrawn) The method claimed in claim 8, further including the step of:  
examining the history of seller transactions in the segmented account to determine seller  
trends.
11. (Withdrawn) The method claimed in claim 8, further including the step of:  
comparing the transaction volume, dollar volume and transaction types relative to other  
similar sellers.
12. (Withdrawn) The method claimed in claim 8, further including the step of:  
identifying an inordinate number of cancelled transactions in the segmented  
transactions.
13. (Withdrawn) The method claimed in claim 8, further including the step of:  
establishing watermarks for different types of businesses to identify an inordinate  
amount of returned merchandise for a particular type of business.
14. (Withdrawn) The method claimed in claim 8, further including the step of:  
identifying patterns that indicate that a seller may not be reporting the entire amount of  
taxes collected.
15. (Withdrawn) The method claimed in claim 8, further including the step of: examining  
cancelled transactions.

16. (Original) The method claimed in claim 1, further including the step of: receiving responses from buyers indicating acceptance of the sale.
17. (Cancelled) The method claimed in claim 1, further including the steps of:
- e) purchasing by one of the taxing jurisdictions goods and/or services from the seller;
  - f) transmitting from the seller to the purchasing taxing jurisdiction a log of specified sales
  - g) and use tax transactions; comparing the taxes charged by the seller for the goods and/or services purchased by the seller with the log of transactions.
18. (Currently Amended) The method claimed in claim [17] 1, further including the steps of: determining if the seller has reported the appropriate information to the taxing jurisdiction.
19. (Original) The method claimed in claim 18, further including the step of: establishing improper behavior by the seller when the information reported to the taxing jurisdiction differs from the information obtained by the taxing jurisdiction from the seller for the goods and/or services purchased by the taxing jurisdiction.
20. (Currently Amended) The method claimed in claim [17] 1, further including the steps of: determining if the seller has reported all appropriate taxes to the taxing jurisdiction.
21. (Currently Amended) The method claimed in claim [17] 1, wherein the taxing jurisdiction utilizes an agent to purchase the goods and/or services.
22. (Currently Amended) The method claimed in claim [17] 1, wherein the taxing jurisdiction utilizes an alias to purchase the goods and/or services.

23. (Currently Amended) The method claimed in claim [17] 1, wherein buyers are given a receipt for the taxes they have paid.

24. (Currently Amended) A method utilizing a tax meter for collecting sales and/or use taxes on remote sales, said method includes the steps of:

- a) collecting by sellers information regarding remote sales made by buyers;
- b) calculating by sellers securely the correct taxing jurisdictions sales and/or use tax to be paid by buyers for remote sales;
- c) collecting by sellers from buyers the correct sales and/or use tax;
- d) transmitting by seller to a tax jurisdiction the aggregate totals of sales and use tax transactions; [and]
- e) purchasing by one of the taxing jurisdictions wherein the identity of the taxing jurisdictions not known to the seller goods and/or services from the seller;
- f) transmitting from the seller to the purchasing taxing jurisdiction a log of specified sales and use tax transactions;
- g) comparing the taxes charged by the seller for the goods and/or services purchased by the seller with the log of transactions
- h) [e] paying by a seller to a taxing jurisdiction the correct sales and/or use tax received by sellers.

25. (Withdrawn) The method claimed in claim 24, further including the step of: transmitting from the seller to the taxing jurisdiction a log of all sales and use tax transactions.

26. (Withdrawn) The method claimed in claim 5, wherein a seller is given notice that a taxing jurisdiction is studying its log of all sales and use tax transactions.

27. (Withdrawn) The method claimed in claim 26, wherein a seller may review the seller's log of sales and/or use taxes collected before the taxing jurisdiction studies the seller's log of sales and/or use taxes collected.
28. (Withdrawn) The method claimed in claim 26, wherein a taxing jurisdiction may access the log of sales and/or use taxes collected only after specified time period has passed.
29. (Previously Presented) The method claimed in claim 24, further including the step of: reporting to the taxing jurisdictions the taxes that have been collected.
30. (Previously Presented) The method claimed in claim 24, further including the step of: filing tax returns for sellers with the taxing jurisdictions for the taxes that have been collected.
31. (Withdrawn) The method claimed in claim 24, further including the step of: identifying potentially seller fraudulent behavior by running various checks of the segmented information.
32. (Withdrawn) The method claimed in claim 31, further including the step of: identifying a strange drop-off in the number of seller transactions in the segmented information.
33. (Withdrawn) The method claimed in claim 31, further including the step of: examining the history of seller transactions in the segmented account to determine seller trends.

34. (Currently Amended) The method claimed in claim [31] 24, further including the step of: comparing the transaction volume, dollar volume and transaction types relative to other similar sellers.

35. (Currently Amended) The method claimed in claim [31] 24, further including the step of: identifying an inordinate number of cancelled transactions in the segmented transactions.

36. (Withdrawn) The method claimed in claim 31, further including the step of: establishing watermarks for different types of businesses to identify an inordinate amount of returned merchandise for a particular type of business.

37. (Withdrawn) The method claimed in claim 31, further including the step of: identifying patterns that indicate that a seller may not be reporting the entire amount of taxes collected.

38. (Withdrawn) The method claimed in claim 31, further including the step of: examining cancelled transactions.

39. (Previously Presented) The method claimed in claim 24, further including the step of: receiving responses from buyers indicating acceptance of the sale.

40. (New) A method for collecting sales and/or use taxes on remote sales, said method includes the steps of:

- a) collecting by a seller information regarding remote purchases made by a buyer and storing said information in a secure tax meter, said secure tax meter comprising:
  - a secure coprocessor coupled to a host computer,

- a secure tax information database
- a secure tax database, and
- said secure coprocessor comprising a non-volatile memory;
- b) operating said secure tax meter for securely calculating the correct taxing jurisdictions sales and/or use tax to be paid by said buyer for remote sales;
- c) collecting by said seller from said buyer the correct sales and/or use tax;
- d) operating said secure tax meter for transmitting to the correct taxing jurisdiction the aggregate totals of sales and/or use tax transactions; and
- f) said taxing jurisdiction interrogating said secure processor to ensure the integrity thereof,
- g) determining whether said secure processor is functioning properly, and
- h) shutting down said tax meter at the instruction of said taxing jurisdiction if it is determined that said secure coprocessor is not functioning properly.

41. (New) the method claimed in claim 40, further including the step of: transmitting from the seller to the taxing jurisdiction a log of all sales and use tax transactions.
42. (New) The method claimed in claim 41, wherein a seller is given notice that a taxing jurisdiction is studying its log of all sales and use tax transactions.
43. (New) The method claimed in claim 41, further including step of: reporting to the taxing jurisdictions the taxes that have been collected.
44. (New) The method claimed in Claim 11, further including the step of: identifying potentially seller fraudulent behavior by running various checks of the information.
45. (New) The method claimed in Claim 16, further including the step of: identifying a strange drop-off in the number of seller transactions in the segmented information.
46. (New) The method claimed in Claim 16, further including the step of: examining the history of seller transactions in the segmented account to determine seller trends.
47. (New) The method claimed in Claim 16, further including the step of: comparing the transaction volume, dollar volume and transaction types relative to other similar sellers.



48. (New) The method claimed in Claim 6, further including the step of: identifying patterns that indicate that a seller may not be reporting the entire amount of taxes collected.